



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Fillmore Field Office

95 East 500 North

Fillmore, UT 84631

<http://www.blm.gov/ut/st/en/fo/fillmore.html>



RECEIVED

JUL 07 2014

DIV. OF OIL, GAS & MINING

IN REPLY REFER TO:
3600 (UTW02000)
UTU-86555

July 3, 2014

CERTIFIED MAIL #7012 3460 0000 6633 2087
RETURN RECEIPT REQUESTED

DECISION

Mr. Josh Nelson	:	
Ash Grove Cement	:	43 CFR 3600 – Mineral Materials
P.O. Box 51	:	
Delta, Utah 84648	:	

Approval of Sampling and Testing and Determination of Required Financial Guarantee Amount

Mr. Nelson:

Your proposal to conduct bulk sampling and testing for mineral materials, assigned Bureau of Land Management (BLM) case file number UTU-86555, was received June 26, 2014. Please refer to this number in any future communication concerning this mineral materials case. The Utah Division of Oil, Gas and Mining (UDOGM) case file number for your proposed Navajo Sandstone Quarry Project is M/027/0095.

Your Navajo Sandstone Quarry Project is located near Dog Valley, Juab County, Utah, in aliquot parts of section 25, Township 13 South, Range 02 West, Salt Lake Meridian. Your bulk sampling and testing project proposes the removal of up to 1000 tons of shale from the Navajo Sandstone Quarry, which is a previously disturbed location. As specified by the Code of Federal Regulations (CFR) in 43 CFR §3601.30(a), the BLM may authorize an operator to sample and test mineral materials prior to completion of a sales contract. As described in 43 CFR §3601.30(b), you must submit the results of your sampling and testing project to the BLM. There is no purchase price required for sample removal, but you may not sell materials removed under a sampling and testing program authorization letter.

This letter authorizes you to conduct your sampling and testing activities at this site for 90 days after you receive written notification that your financial guarantee has been accepted, as specified in 43 CFR § 3601.30(a). The BLM may extend the authorization for an additional 90 days if you submit a written request for an extension and explain the reason for the request.

Amount of Financial Guarantee – As specified in 43 CFR §3601.30(d), the BLM may impose bonding and reclamation requirements on a sampling and testing program that you conduct under an authorization letter.

This office has previously calculated a reclamation cost estimate for the mineral materials sale, and consulted with the Utah Division of Oil, Gas and Mining on a cost estimate; BLM has determined that the

amount of \$524,172.00 that is currently held by the UDOGM is sufficient to meet all anticipated reclamation requirements for the proposed sale and preliminary testing from this site. The amount of the reclamation cost estimate was based on the operator complying with all applicable operating and reclamation requirements.

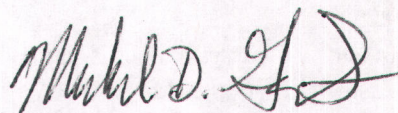
BLM's decision concerning the amount of the required financial guarantee, the determination that your mineral material filing is complete, and the determination that your operations as proposed will not cause unnecessary surface disturbance, does not relieve you, the operator, of your responsibility to be in compliance with all applicable Federal, State and local laws and regulations, and to obtain all applicable Federal, State and local authorizations and permits. You are responsible for preventing any unnecessary surface disturbance of public lands and resources, and for reclaiming all lands disturbed by your operations.

Required Financial Guarantee – A financial guarantee in the amount of \$524,172.00 has been previously filed and accepted by the UDOGM and acknowledged by the Utah State Office of the BLM, 440 West 200 South, Suite 500, Salt Lake City, Utah 84145-0155. You must receive written notification accepting and obligating any required financial guarantee before you may continue surface disturbing operations. Your sampling and testing authorization with the BLM expires 90 days from the date of your written notification, but the BLM may extend the authorization for an additional 90 days if you demonstrate that additional time is necessary to complete your sampling operation.

If you submit a financial guarantee to the BLM, examples of the types of financial instruments that are acceptable to the BLM are found at 43 CFR §3809.555. Please contact Rita Stelmach or Opie Abeyta, Land Law Examiners at the BLM Utah State Office, at (801) 539-4121 and (801) 539-4123 respectively for further information on the adjudication of financial guarantees. If you submit a financial guarantee to the Utah Division of Oil, Gas and Mining, please contact UDOGM for information about financial instruments acceptable to the State of Utah.

If you have any questions, please contact Duane Bays, BLM FFO Natural Resource Specialist, at (435) 743-3115.

Sincerely,



Michael D. Gates
Field Manager

Enclosure: Form 1842-1

cc:

Wayne Western

UDOGM

1594 W North Temple Ste 1210
Salt Lake City, UT 84114

Utah State Office/BLM
440 West 200 South, Suite 500
Salt Lake City, UT 84101-1345